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PACIFIC  **TELESIS**
Group-Washington

April 8, 1996

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FEDERAL COMMUNICATIONS COMMISSION
CHIEF OF SECRETARY

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, DC 20554

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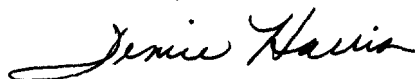
Dear Mr. Caton:

Re: CC Docket No. 96-23 - Revision of Filing Requirements and Implementation of
Section 402(b)(2)(B) of the Telecommunications Act of 1996: Annual ARMIS
Reports

On behalf of Pacific Bell and Nevada Bell, please find enclosed an original and six
copies of their "Comments" in the above proceeding.

Please stamp and return the provided copy to confirm your receipt. Please contact
me should you have any questions or require additional information concerning this
matter.

Sincerely,



Enclosure

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

APR 8 1996

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FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

In the Matters of

Revision of Filing Requirements

and

Implementation of Section 402(b)(2)(B)
of the Telecommunications Act of 1996:
Annual ARMIS Reports

CC Docket No. 96-23

COMMENTS OF PACIFIC BELL AND NEVADA BELL

Pacific Bell and Nevada Bell respectfully respond to the Commission's Notice of Proposed Rulemaking in the above-captioned proceeding as amended by the Commission's subsequent Order, released March 20, 1996.¹ The Commission proposes to eliminate thirteen reporting requirements and to reduce the frequency of other reporting requirements as part of its ongoing initiative to eliminate unnecessary regulation and improve internal processes and procedures.

We commend the Commission's continuing efforts to reduce unnecessary reporting requirements² which is responsive to both the Clinton Administration and Congress'

¹ Revision of Filing Requirements and Implementation of Section 402(b)(2)(B) of the Telecommunications Act of 1996: Annual ARMIS Reports, CC Docket No. 96-23, Notice of Proposed Rulemaking, released February 27, 1996 (NPRM); Order, DA 96-381, released March 20, 1996.

² In August, 1995, the Common Carrier Bureau eliminated three reports and reduced the frequency of certain other reports.

requirements for regulatory reform. The President, through Executive Order, directed federal agencies to examine and reduce federal regulation.³ The Telecommunications Act similarly reflects Congressional intent to reduce regulation that is no longer in the public interest.⁴ Recent changes to regulation, such as price caps (including the no-sharing option) have made previous reporting requirements obsolete. And competition, which carriers increasingly face, is more effective a motivator than regulation. For example, competition provides more incentive for carriers to maintain high quality telecommunications service than the Form 43-05, ARMIS Quarterly Service Quality Report. Unnecessary reports burden both the reporter and the recipient. Redundant reports deplete scarce resources without returning benefit. We concur that the reports described in the NPRM for which we are responsible can be eliminated or filed less frequently without depriving the Commission of any worthwhile data. In addition, we urge the Commission to eliminate the Local Transport Restructure Report, to conform the filing schedule for the Forms 43-01 and 43-06 ARMIS Reports to the requirement of the Telecommunications Act⁵ and to consider alternatives to the current mode of requiring reports for an indefinite period of time.

1. The Commission Should Eliminate All Divestiture Related Reports

The Commission proposes to eliminate three divestiture related reports: the Equal Access Progress Report (Condition 3 Report), the Construction Budget Report (Condition 10

³ Executive Order No. 12866, 3 C.F.R. 638 (1994).

⁴ See Telecommunications Act of 1996, Publ. L. No. 104-104, 40110 Stat. 56 (1996), (Telecom Act), Title IV, Sections 401-403.

⁵ Telecom Act, §402(b)(2)(B).

Report) and the National Security and Emergency Preparedness Effectiveness Report (Condition 12 Report). As we stated in the comments filed last year in response to the Bureau's Public Notice,⁶ the Commission should eliminate all divestiture-related reports because the reports have served their purpose and are no longer necessary. Moreover, the Commission obtains the same or similar information from other required filings. An additional divestiture report, the Basic Service Quality Measurements Report (Condition 11 Report), not discussed in the NPRM, should also be eliminated as obsolete.⁷

2. The Commission Should Eliminate Other Unnecessary or Redundant BOC Reports

The Commission proposes to eliminate the Customer Premises Equipment (CPE) installation and maintenance report; the CPE affidavit for non-discriminatory provision of network maintenance; the sales agency program and vendor support program report; the billing and collection contracts report; and the report on inside wiring services. We agree. The Commission is correct that these reports are unnecessary or have not proven to be useful.

As proposed by commentors in PP Docket No. 96-17, the Commission should revise the ONA reporting requirements.⁸ ONA deployment has progressed significantly since

⁶ Elimination of Divestiture Reports, Report No. CC 95-34, Comments by Pacific Bell and Nevada Bell, July 14, 1995.

⁷ Public Notice, Common Carrier Bureau Solicits Comments on Elimination of Divestiture Reports, Report No. CC 95-34, June 14, 1995 (inquiring into eliminating *inter alia* the Condition 11 Report.)

⁸ Improving Commission Processes, PP Docket No. 96-17, Comments of Pacific Bell and Nevada Bell, March 15, 1996, p. 4, Comments of GTE, pp. 7-11; Comments of SBC Communications, pp. 16-20.

reporting requirements were established. There is little, if any, ONA activity for Pacific to report on a continuing basis. Moreover, the Information Industry Liaison Committee (IILC) is an effective forum that could collect and summarize any information on topical issues that the Commission requests. Accordingly, the Commission should eliminate the CEI/ONA installation and provisioning report; the CEI/ONA maintenance and repair activity tracking report; and the affidavit of non-discrimination of installation, maintenance and repair of basic network services to Enhanced Services Providers. Other semi-annual and annual ONA reports should be consolidated into an annual report, including the ONA services User Guide, a listing of new ONA service requests, and ONA service requests designated for further development.

We also recommend eliminating the quarterly Local Transport Restructure Report. This Report was designed to ensure that the interim transport rate restructure did not adversely impact small long distance carriers. Although the interim rate structure has been extended beyond its intended initial period,⁹ any adverse impact to small carriers would have been revealed long ago. The report has served its purpose and should no longer be required.

3. Redundant Reports Should Be Eliminated

The Commission's proposal to reduce the filing frequency of Form 492, the Rate-of-Return Report, and New Service Tracking Reports from quarterly to annually falls short. The information contained in these reports is also included in the annual filing for Price Cap companies. The additional reports are therefore redundant. Rather than reduce the frequency of

⁹ Transport Rate Structure and Pricing, CC Docket No. 91-213, Fourth Memorandum Opinion and Order on Reconsideration, 10 FCC Rcd 12979 (1995).

filing, the Commission should entirely eliminate the New Services Tracking Reports and only require the Rate-of-Return Report to be included in the annual filing for Price Cap companies.

4. All ARMIS Reports Should Be Filed Only Annually

The Telecommunications Act requires that ARMIS reports be filed only annually.¹⁰ The Commission should immediately direct that the Form 43-01 ARMIS Quarterly Report and the Form 43-06 ARMIS Semi-Annual Service Quality Report need only be filed annually.

5. Reporting Requirements Should Expire Unless Affirmatively Extended

As we suggested in our comments in PP Docket No. 96-17, the Commission should adopt a provision that ends a reporting requirement after one or two years unless the Commission affirmatively decides that the report should continue to be filed. Alternatively, the Commission could eliminate scheduled reports that require a minutiae of detail and issue a single annual data request to all common carriers for just the information the Commission believes is necessary to perform its regulatory responsibilities. This will permit company resources to be focused on providing information specifically useful to the Commission. A data request would also be a simple means for the Commission to easily obtain data on new products and services or new companies entering the telecommunications market.

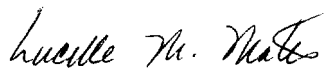
¹⁰ §402(b)(2)(B).

6. Conclusion

By eliminating and/or reducing the filing frequency for reports as proposed by the NPRM, the Commission responds appropriately to Executive Order and Congressional directives. We commend the Commission for its quick action to reduce the burden of filing information that is no longer used or useful. We believe, however, there are additional reports which should be eliminated or filed less frequently and we encourage the Commission to move quickly to accomplish further regulatory reform.

Respectfully submitted,

PACIFIC BELL
NEVADA BELL



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Date: April 8, 1996